UT-0053

freoming C/015/00259

May 22, 2007

Utah Division of Oil, Gas, & Mining Coal Regulatory Program 1594 West North Temple, Suite 1210 P.O. Box 145801 Salt Lake City, Utah 84114-5801

RE: Co-Op Mining Company "Bear Canyon" Mine - Application for a Permit Revision, Incidental Boundary Change, Task ID No 2804

Dear Sir or Madam:

This in response to the Utah Division of Oil, Gas & Mining's (UT-DOGM) May 15, 2007, request for a decision, under 30 CFR 944.30, whether the above subject permit revision constitutes a mining plan modification.

Mining plan approvals by the Secretary of the Interior are required under the Mineral Leasing Act of 1920, 30 U.S.C. 181, *et seq*. before coal mining can occur on Federal lands. This letter serves to document OSM's determination whether or not a mining plan approval from the Secretary is required for the above permitting action.

OSM's review of the Application for a Permit Revision, Incidental Boundary Change, has determined that it proposes to add approximately 127 acres of fee coal located in Township 16 South, Range 8 East Section 19: Lot 1, NW¼NE¼, NE¼NW¼ to the existing permit area of the Bear Canyon Mine, Utah State permit C/015/0025.

Based on a review of the activities associated with the permit revision, OSM has determined that the proposal does not meet the requirements of 30 CFR PART 740 and PART 746. Therefore, the proposed permit revision does not constitute a mining plan action requiring Secretarial approval.

OSM's decision was based solely upon the Federal regulations under 30 CFR PART 746 and not the technical aspects of the revision application itself. Consequently, OSM's decision does not relieve UT-DOGM from coordinating the review and approval of the Application for a Permit Revision, Incidental Boundary Change, with other Federal agencies for compliance with other Federal regulations.

OSM also electronically transmitted the May 15, 2007, request to the Bureau of Land Management and the U.S. Forest Service for their review and comment.

In an electronic submittal dated May 21, 2007, the U.S. Forest Service stated in its opinion the permit revision did not constitute a mining plan action requiring Secretarial approval.

In an electronic submittal dated May 18, 2007, the Bureau of Land Management stated in its opinion the permit revision did not constitute a mining plan action requiring Secretarial approval.

Please notify the applicant of our decision on this matter.

Should you have any questions regarding this letter or approval, please contact Carl R. Johnston, Utah Federal Lands coordinator, at (303) 844-1400, extension 1500.

Sincerely,

Ranvir Singh Manager, Northwest Branch

cc: BLM - Utah State Office BLM - Price Field Office USFS - Manti-La Sal NF Denver Field Division